CPI 2023 for Eastern Europe and Central Asia: Autocracy and weak justice systems enabling widespread corruption

The Corruption Perceptions Index (CPI) paints a troubling picture of Eastern Europe and Central Asia, an area struggling with dysfunctional rule of law, rising authoritarianism and systemic corruption. The average score of 35 out of 100 makes it the second lowest-scoring region in the world.

Widespread democratic backsliding and weakening justice systems are undermining control of corruption, as institutions like the police, prosecutors and the courts are often unable to investigate and punish those who abuse their power. In a region where war and inflation are increasing poverty levels, it is crucial that leaders act for the common good. There are, however, countless examples of public officials systematically influencing policies and institutions to increase their power and steal public funds. Leaders urgently need to strengthen the rule of law, rights and democracy, but many are systematically attacking them.

The 2023 CPI shows that while most countries in Eastern Europe and Central Asia are not making progress against corruption, five countries have significantly improved their CPI scores over the last 10 years. This shows that despite the substantial challenges faced in much of the region, change is possible.

The rest have stagnated in their anti-corruption efforts, except for **Bosnia and Herzegovina** (CPI score: 35), **Turkey** (34) and **Turkmenistan** (18), which have declined. Turkey also reached its lowest score to date on the CPI this year, as did **Serbia** (36), **Russia** (26) and **Tajikistan** (20).

Weak justice is allowing corruption to thrive

Across the region, many governments control the judiciary and law enforcement institutions to maintain impunity for corruption for those in their privileged circles. For Georgia and countries in the Western Balkans, these persistent practices stand in the way of European Union membership. This is also the case for Moldova and Ukraine, although these countries as making substantial reforms to their justice systems.

The Putin regime's long-term campaign to dominate **Russia** (26) and its resources has made corruption deeply entrenched. The government overwhelmingly controls public institutions, allowing it to abuse its power on a wide scale without accountability. The erosion of judicial independence in Russia has increased impunity for corrupt practices, severely undermining public trust in the justice system. The regime also uses this system to suppress opposition, thereby solidifying its grip on power. The result is that the ruling elite can follow destructive ambitions without restraint, and Russia's ongoing war against Ukraine shows how dangerous the consequences of unchecked power can be.

Just as some small signs of progress started to emerge, **North Macedonia**'s (42) judiciary was significantly impaired with undemocratically made <u>amendments to the criminal code</u>. The decision to reduce penalties for the abuse of official positions for personal gain and shortened deadlines for the initiation of legal proceedings in suspected corruption cases is a big favour to corrupt people: an

estimated 200 cases will be dismissed, including ones against former high-level officials. Politically motivated <u>appointments and dismissals of court officials</u> raise additional concerns about the judiciary's ability to effectively fight corruption.

Due to vulnerabilities to political pressure, the justice systems in **Bosnia and Herzegovina** (35) and **Serbia** (36) are largely unable to prosecute and sanction public officials who abuse their position. Weak laws, oversight institutions and reporting channels have also contributed to these two countries' ongoing decline in the CPI.

Complex governance and judicial structures in Bosnia and Herzegovina leave space for concentration of power in leading ethnic political parties. Their dominant influence on all branches of power contributes to systemic corruption and undermines the very functioning of the state, causing citizens to lose trust in institutions. Vulnerability of the prosecution and judiciary to undue influence significantly undermines anti-corruption efforts, where big scandals are left unaddressed.

This negative trend is made worse by political elites' efforts to silence watchdogs through new and proposed <u>legislation that criminalises defamation</u>, <u>targets independent civil society</u> and sanctions anyone who "disparages state authorities". Also, if adopted, the latest draft law on immunity would be a further blow to already <u>weak rule of law in Republika Srpska</u>. It would reduce the ability of the courts to hold to account public officials, including MPs and members of the executive, and would apply to previous crimes as well as new ones.

Country to watch: Moldova

Through persistent efforts to strengthen democracy, anti-corruption and the rule of law, **Moldova** (42) is continuing its <u>steady improvement</u> on the CPI – this year, the country gained another three points. Key to Moldova's reforms has been strengthening the independence and effectiveness of the judiciary. It has taken significant steps to reduce interference with the judiciary – including by politicians – to prevent the manipulation of legal procedures and the selective enforcement of laws.

Moldova adopted a robust access to information law promoting transparency in public sector activities. It also approved a 2024-2028 national integrity and anti-corruption programme with a corresponding action plan, clarifying its approach to future anti-corruption activities.

Nevertheless, Moldova continues to face external pressures, especially due to its proximity to Russia's war against Ukraine and its historical ties to Russia. These pressures, including attempts at political and legal interference, have at times hindered reforms and increased corruption risks. Despite active efforts to limit the destabilising influence of Russia-backed oligarchs, they have managed to inject significant funds into Moldova's political system in attempts to buy elections and derail the country's path towards EU membership.

The country has a long way to go before it has a highly effective anti-corruption framework, as indicated by weaknesses in its specialised anti-corruption authorities and problems with ensuring

the integrity of elected officials. It also needs to better protect policy-making from undue influence. Collaboration with the democratic international community remains crucial, providing essential resources and knowledge to strengthen institutional frameworks and tackle corruption. Moldova must persist in reforming and navigating disruptive internal and external factors effectively.

Autocracy enabling unchallenged corruption

Ranking at the bottom in the region, **Azerbaijan** (23), **Tajikistan** (20) and **Turkmenistan** (18) continue to struggle with severe corruption issues. Authoritarian control over state institutions by ruling elites has firmly taken root, with corruption being used to <u>sustain power</u> and evade accountability. The low scores of these countries reflect systemic governance deficits and a lack of independent oversight, where corruption erodes various levels of society and state, while undermining civic and political rights.

In **Georgia** (53) corruption remains a problem, indicating a deeper systemic issue – the concentration of power and the pervasive influence of elites on state institutions and decision-making. For several years, Georgia has been experiencing democratic backsliding, where deepening state capture and high-level corruption are turning the government into a kleptocracy. Another sign of this is the recent "return" to active politics of Bidzina Ivanishvili, the founder of the ruling party, who has been instrumental in the capture of the country's institutions. Once celebrated as an anti-corruption champion, Georgia's corruption problem has grown to the point that it is now one of several major obstacles to EU integration.

Even though a new anti-corruption agency was set up per the EU's request, its <u>independence is under question</u> and it has not been granted investigative powers to tackle high-level corruption, which continues to enjoy impunity. Without significant reform, Georgia is expected to sink even deeper into a kleptocratic style of rule.

Kazakhstan (39) is making some progress in addressing corruption issues, including through legal reforms and recovering stolen assets. However, these efforts are overshadowed by its autocratic governance alongside lack of transparency and judicial independence. This, together with the enduring influence of powerful political elites, allows corruption to thrive. To achieve substantial progress, Kazakhstan must make its anti-corruption initiatives comprehensive, transparent and free from political interference, while ensuring wider democratic reform.

Turkey's (34) steep decline of 8 points since 2015 is due to an overly dominant executive branch and few democratic <u>checks and balances</u>. Insufficient laws against corruption, reluctance to enforce these laws and lack of <u>judicial independence</u> stand in the way of progress. The tragic consequences of the February 2023 earthquake showed how the <u>price of corruption</u> is sometimes paid in human lives.

Serbia (36) is witnessing a democratic decline, with its autocratic government using special laws to limit transparency in large-scale projects. A recent law opened up at least one billion euros of public funds, earmarked for Expo 2027, to the risk of inflated contract prices and poor-quality

construction work. The prosecution service has also neglected to act on publicly presented evidence that <u>election fraud</u> benefited the incumbent Serbian Progressive Party and its allies in December 2023. This politically captured justice institution is failing to protect the public interest at a crucial time, reducing the country's ability to stop corruption.

Montenegro (46) shows how previous state capture can leave lasting consequences on institutions. After three decades of single party rule ended in 2020, many felt encouraged to report past corruption. However, the slow progress in processing these cases and the struggle to rebuild a functioning judiciary reveal how deeply the capture by the former regime and organised crime devastated the justice system. These shortcomings also show the subsequent government's inability to create decisive reforms. To be successful, the coalition government led by Europe Now! must prioritise action against corruption and organised crime.

Country to watch: Kyrgyzstan

In just four years, **Kyrgyzstan** (26) has turned from a bastion of democracy with a vibrant civil society to a consolidated authoritarian regime that uses its justice system to target critics. This is contributing to higher corruption levels, as indicated by the country's CPI score going down by five points since 2020.

President Sadyr Japarov's transition to presidential rule has tightened his control over the country. His repressive and authoritarian governing style defies legal procedures and constitutional norms, erodes civil liberties and captures democratic institutions. He has undermined judicial independence from the national to local level, including by influencing critical judicial appointments and the State Committee for National Security (GKNB), which has played a pivotal role in high-corruption cases. The GKNB has become an opaque tool for repressing political opponents, independent media and critical bloggers.

Undue influence on justice – coupled with the ineffective implementation of anti-corruption legislation – is undermining the rule of law and hindering the effective handling of corruption cases. This fosters a culture of impunity for abusers of power throughout the public sector.

Other authoritarian developments are further eroding accountability. These include a significant decline in government transparency, preventing journalists and the public from exposing wrongdoing, and increasing corruption risks. Of particular concern are recent changes in public procurement laws that allow state and municipal enterprises to bypass tender processes and withhold information on their purchases. Kyrgyzstan's leaders must urgently recommit to democratic principles, ensure the independence of the judiciary and enforce anti-corruption laws effectively.

Early steps toward integrity

In the two years following the 2018 Velvet Revolution, **Armenia** (47) experienced significant democratic and anti-corruption reforms. However, progress against corruption has stalled, primarily due to the limited implementation of these new measures. Despite facing challenging security threats – like many countries in the region – Armenia has the potential to navigate such difficulties and turn strong policies into better control of corruption.

Ukraine (36) gained three points on the CPI this year, continuing an 11-year rise. This happened while Russia's war against the country posed immense challenges to Ukraine's governance and infrastructure, heightening corruption risks. The focus on justice system reforms, including restructuring judicial self-governance bodies and increasing judicial independence, has been key. Efforts to strengthen the capacity and independence of its anti-corruption agency (NABU) and its anti-corruption prosecution body (SAPO) – coupled with a national anti-corruption strategy and its comprehensive implementation programme – have provided a solid foundation for ongoing anti-corruption efforts.

Progress is further evidenced by robust civil society engagement, such as restating public officials' requirement to submit e-declarations of their assets. Ukraine's public procurement remains largely competitive, earning recognition from the World Bank. The government's efforts, especially in the field of reconstruction, have been instrumental in fostering accountability and control.

Despite these improvements, the existence of a significant number of high-level corruption cases remains a major concern. The government's efforts to address corruption at the top level – including through <u>dismissals</u> and criminal proceedings – demonstrate its commitment to tackling the problem. This also shows that existing systems are functional and capable of detecting such cases. However, they underscore ongoing challenges and the need for sustained and comprehensive anti-corruption measures for Ukraine to achieve full reform and European integration.

Uzbekistan stands out in the region as a <u>significant improver</u> on the CPI with a score of 33 (+15 since 2014). Key steps include creating an anti-corruption agency, strengthening legislation and liberalising the economy. Importantly, policies and procedures have been established to enforce these laws and criminal charges have been filed against numerous corrupt officials. The government also introduced stronger internal control and audit tools in various ministries and local government offices, such as anti-bribery management systems. However, its authoritarian governance resists moves towards transparency and democracy, exerting control over legislative and public institutions, and using the justice system against critics. This perpetuates corruption and underscores the need for comprehensive reform.

The democratic progress that **Kosovo** (41) has achieved, particularly concerning free elections and peaceful transition of power still needs to be matched by action against corruption. Despite ongoing efforts, reforms that are key for independence in the justice system, such as establishing a judicial vetting process and passing a <u>new law that could strengthen integrity in the Prosecutorial Council</u>, are moving at a very slow pace. Worse still, the government's continued interference with judicial affairs, exemplified by the dismissal of the head of the police's <u>special investigation unit</u>, alongside obstruction by the majority MPs of a parliamentary investigation into an alleged grand corruption case, suggest that political will to give up control and strengthen independent oversight is still not there.

Albania (37) is improving its record with investigating and <u>prosecuting high-level corruption</u>, but larger progress is dependent on strengthening criminal justice legislation and ensuring effective oversight of the executive branch. The decision to establish a <u>new ministry in charge of anti-corruption activities</u> comes with the expectation of effective integrity mechanisms. However, this

cannot be achieved unless the parliament has stronger autonomy, and civil society organisations and media can perform their oversight role without obstruction by authorities.